

SUBCOMMITTEE NO. 3

Agenda

Health, Human Services, Labor & Veteran's Affairs

Chair, Senator Elaine K. Alquist

Senator Alex Padilla
Senator Mark Wyland



May 23, 2008

10:00 AM

Room 4203

Vote Only
AGENDA

(Diane Van Maren)

Item

Department

4300

Department of Developmental Services, Developmental Centers

VOTE ONLY—Department of Developmental Centers

1. Developmental Centers—Capital Outlay Adjustment

Issue. The Subcommittee is in receipt of a technical issue regarding the Porterville Developmental Center and the construction of its Main Kitchen. The construction of the Main Kitchen is funded with Lease Revenue Bonds.

Specifically, the DDS is requesting an increase of \$5.4 million (Lease Revenue Bonds) and Budget Bill Language.

The Public Works Board recently approved an increase for this project of **\$5.409 million** (Lease Revenue Bonds). This increase is due to (1) an unanticipated need for a retention pond to prevent rainwater from pooling at the Main Kitchen; (2) poor soil conditions that will be rectified by enhancing the Main Kitchen's foundation; (3) the cost of inspections by the State Fire Marshall and the Department of Public Health; and (4) a reassessment of project management rates. This increases the Main Kitchen construction costs of the project to \$25.4 million (Lease Revenue Bond).

The requested Budget Bill Language (Item 4300-301-0660) is as follows:

1. The State Public Works Board may issue lease revenue bonds, notes, or bond anticipation notes pursuant to Chapter 5 (commencing with Section 15830) of Part 10b of Division 3 of Title 2 of the Government Code to finance the construction of the project authorized by this item.
2. The State Department of Developmental Services and State Public Works Board are authorized and directed to execute and deliver any and all leases, contracts, agreements, or other documents necessary or advisable to consummate the sale of bonds or otherwise effectuate the financing of the scheduled projects.
3. The State Public Works Board shall not be deemed to be the lead or responsible agency for purposes of the California Environmental Quality Act (Division 13 [commencing with Section 21000] of the Public Resources Code) for any activities under the State Building Construction Act of 1955 (Part 10b [commencing with Section 15800] of Division 3 of Title 2 of the Government Code). This provision does not exempt the State Department of Developmental Services from the requirements of the California Environmental Quality Act. This provision is declaratory of existing law.

Subcommittee Staff Recommendation—Approve Request. It is recommended to approve the \$5.409 million (Lease Revenue Bonds) and the Budget Bill Language as requested. No issues have been raised by the Legislative Analyst's Office or Subcommittee staff.